

ENTERED

July 17, 2018

David J. Bradley, Clerk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

SHARON KOUTROUPIS, §
§
Plaintiff, §
VS. § CIVIL ACTION NO. 2:17-CV-373
§
R&R MATTRESS INVESTMENTS, LLC; §
dba MATTRESS DEPOT, *et al.*, §
§
Defendants. §

ORDER OF BANKRUPTCY STAY AND CASE ADMINISTRATION

On July 12, 2018, Defendant RM Depot, Inc. d/b/a Mattress Depot filed its Suggestion of Bankruptcy (D.E. 31). Pursuant to 11 U.S.C. § 362(a)(1), this matter is STAYED as to Defendant RM Depot, Inc. d/b/a Mattress Depot pending further order of the United States Bankruptcy Court lifting the automatic stay, closing or dismissing the bankruptcy proceeding, or granting or denying the Debtor's discharge in bankruptcy. 11 U.S.C. § 362(c), (d). The Court further ORDERS all pending motions related to RM Depot, Inc. d/b/a Mattress Depot to be administratively terminated during the pendency of the stay.

The § 362 stay may, but does not necessarily, preclude the prosecution of claims against co-defendants in this case based on an identity or intersection of interests. *See generally, Wedgeworth v. Fibreboard Corp.*, 706 F.2d 541, 544 (5th Cir. 1983); *In re Johns-Manville Corp.*, 33 B.R. 254, 267 (Bankr. S.D.N.Y. 1983) (demonstrating exceptions to the *Wedgeworth* opinion). Furthermore, the Court has discretion to stay the

case as to co-defendants pursuant to its discretion to administer cases in the interest of justice and as a matter of controlling its dockets. *Wedgeworth, supra* at 544-45. Any party seeking to expand the scope of the stay in this case has the burden to demonstrate that such delay is justified. *Id.* at 545.

Thus, this Court gives notice that it intends to sever this action as against Defendant RM Depot, Inc. d/b/a Mattress Depot on its own motion and proceed with the remaining claims, absent a motion seeking an additional stay of claims against co-defendants or a motion to dismiss Defendant RM Depot, Inc. d/b/a Mattress Depot, filed on or before July 31, 2018.

ORDERED this 17th day of July, 2018.



NELVA GONZALES RAMOS
UNITED STATES DISTRICT JUDGE